

KRA'SKIN, LESSE & COSSON, LLC
ATTORNEYS AT LAW
TELECOMMUNICATIONS MANAGEMENT CONSULTANTS

2120 L Street, N.W., Suite 520
Washington, D.C. 20037

RECEIVED
2003 DEC -3 AM 11:00
Telephone (202) 296-8890
Telecopier (202) 296-8893
F.R.A. SECRET ROOM

November 24, 2003

Via E-Mail and U.S. Mail

Parkey D. Jordan, Esq.
BellSouth
675 West Peachtree Street, NE
Atlanta, Ga. 30375

Re: Tennessee Transit Traffic Proposal

00-00523

Dear Parkey:

This letter is in response to your November 14 transmission of a proposed draft "transit traffic" agreement. The Coalition has directed me to emphasize its disappointment with the draft. The draft was initially promised months ago and finally delivered on November 14, but it fails to address the issues that BellSouth promised to address in July.

Your draft addresses the circumstances that exist when a rural LEC elects to transmit traffic to another carrier through BellSouth. We did not ask for an agreement to address these circumstances, and we have not requested this service.

We specifically asked BellSouth to provide a draft agreement that addresses operational, accounting and financial issues that arise when:

- 1) an existing physical connection has been established with a rural LEC subject to terms and conditions requiring BellSouth payment to the Rural LEC;
- 2) BellSouth has elected to enter into agreements to carry third part traffic to the rural LEC network using this physical connection; and
- 3) BellSouth seeks to alleviate itself of the financial responsibility to compensate the rural LEC for interconnection in those situations where the third party carrier has agreed to assume this responsibility (BellSouth incorrectly refers to this arrangement as "meet point billing.")

In the course of the initial discussions regarding this matter that were held at BellSouth's offices with you, other representatives of BellSouth, and the CMRS carriers, the relevant issues that must be addressed in the long awaited agreement were identified. The rural Coalition undertook to address these issues and to propose terms and conditions in a draft proposed agreement among

the Coalition members, the CMRS carriers and BellSouth. Neither BellSouth nor the CMRS carriers wanted to pursue a three way agreement. It was at this point in the negotiations held in July that BellSouth committed to prepare a proposed draft to address the relevant issues. Our draft three way agreement provides proposed language with respect to the relevant issues. The draft transmitted by BellSouth on November 14, however, fails to address any of these issues.

The issues include, but are not limited to:

1. Specification of the interconnection point between BellSouth and the ICO, the facilities to be used, the scope of traffic that either party is authorized to deliver to the other over the interconnection facilities, the list of third party carriers which are authorized to utilize the interconnection arrangement between BellSouth and the ICOs.
2. Terms and conditions setting forth the necessary operational and business arrangements between an ICO and BellSouth; provision of usage records, treatment of traffic for which BellSouth does not provide accurate and complete records, recognition of the wireless carriers' responsibility of transit costs for wireline originated calls, etc.
3. Billing provisions between and among the multiple parties (note that the ICOs have not agreed to any specific compensation and billing terms under any continuing voluntary arrangement under which BellSouth commingles third party traffic with BellSouth's interexchange carrier traffic); terms which ensure that the ICO is assured payment and BellSouth's responsibilities and role in enforcing compensation terms.
4. Provisions for the audit of BellSouth's records, terms and conditions which assure their accuracy, and provisions which address compensation when records are not complete or are inaccurate
5. Dispute resolution, with particular focus on necessary provisions to address disputes that necessarily involve third parties with which BellSouth had bilateral agreements and may not be parties to the agreement between BellSouth and an ICO.
6. Provisions for a term and termination. Terms and conditions under which an ICO may terminate its reliance on the BellSouth tandem arrangement. Both BellSouth and the ICOs must have provisions under which they retain the right to design and deploy their own network plans which may involve the termination of the BellSouth tandem arrangement and migration to a different arrangement for the third party traffic. Terms and conditions which address post termination transitions to some other arrangement. Terms which allow the discontinuation of the

arrangement with third parties for default and non-payment. Terms that address the circumstances where BellSouth is not a tandem to the ICO.

7. All of the typical boilerplate provisions typically included in an interconnection agreement including, for example: Notice; Taxes; Liability; Independent Contractors; No Third Party Beneficiaries; Governing Law; Force Majeure; Entire Agreement; Assignability; Proprietary Information (which also included provisions to address the billing records and other information that arises under the agreement); Indemnification; Representations and Warranties; No License; Counterparts.

8. Appendices should be added to set forth the actual facilities to be used, and a list of the CMRS providers for which traffic pursuant to these terms is authorized by the agreement.

The failure of BellSouth to address these issues during the course of the negotiations that were undertaken at the direction of Director Jones is largely responsible for the failure of the negotiation process and the resulting pending arbitration proceeding. When BellSouth initially committed to provide this draft in July, the Coalition understood that it was BellSouth's intent to utilize the Coalition's proposed draft agreement and to extract from that draft the terms and conditions that are applicable to these issues. For your convenience, a copy of the Coalition's initial draft is attached. On behalf of the Coalition, BellSouth is again requested to provide a draft proposal responsive to the issues identified above and raised at the outset of the negotiations. We would appreciate the opportunity to review the draft as soon as possible and request provision of the draft by December 8. If this date is not feasible, please let me know when we can expect the proposal.

Sincerely,



Stephen G. Kraskin

Attachment

Cc: Director Ron Jones

**MULTI-PARTY AGREEMENT FOR THE EXCHANGE OF CMRS TRAFFIC
TENNESSEE**

This Multi-Party Agreement for the Exchange of CMRS Traffic ("Agreement") is made and entered into by and between BellSouth Telecommunications, Inc., a [Tennessee corporation] ("BellSouth"), _____, a [STATE corporation] ("CMRS Carrier"), and _____, a [Tennessee corporation] ("Rural LEC"). BellSouth, CMRS Carrier, and Rural LEC are referred to herein collectively as "Parties" and are referred to individually as a "Party."

RECITALS

Whereas, BellSouth and Rural LEC are both Local Exchange Carriers ("LEC") providing local exchange carrier services in their mutually exclusive incumbent service areas in the State of Tennessee; and

Whereas, CMRS Carrier is licensed by the Federal Communications Commission ("FCC") as a Commercial Mobile Radio Service provider; and

Whereas, interconnection between BellSouth and CMRS Carrier and interconnection between BellSouth and Rural LEC are both necessary for BellSouth to offer and provide intermediary tandem switching and transport services to CMRS Carrier for the exchange of traffic between CMRS Carrier and Rural LEC; and

Whereas, BellSouth has previously established an interconnection point between its network and that of Rural LEC for access service purposes and BellSouth will utilize this previously established interconnection arrangement to provide the intermediary services to CMRS Carrier; and

Whereas, the Parties are voluntarily agreeing to terms under which (1) BellSouth may provide Intermediary Services to CMRS Carrier; (2) CMRS Carrier and Rural LEC will exchange traffic; and (3) the Parties will provide compensation to each other as set forth herein.

Therefore, in consideration of the mutual agreements, undertakings and representations contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified in this Section:

1.1 "Act" means the Communications Act of 1934 (47 U.S.C. 151 et seq.), as amended, including the Telecommunications Act of 1996, and as from time to time interpreted in the duly authorized orders and regulations of the FCC.

1.2 "CMRS" or "Commercial Mobile Radio Service" is as defined in the Act.

1.3 "FCC" means the Federal Communications Commission.

1.4 "Intermediary Services" refers to BellSouth's provision of tandem switching and transport services with respect to the Telecommunications Traffic exchanged between CMRS Carrier and Rural LEC pursuant to the terms of this Agreement.

1.5 "IntraMTA Traffic" is CMRS Carrier wireless to Rural LEC wireline and Rural LEC wireline to CMRS Carrier wireless calls that are within the scope of this Agreement which originate and terminate within the same MTA based on the location of the cell site serving CMRS Carrier's mobile wireless subscriber at the beginning of the call and the central office serving Rural LEC's for the landline end-user.

1.6 "InterMTA Traffic" is CMRS Carrier wireless to Rural LEC wireline and Rural LEC wireline to CMRS Carrier wireless calls that are within the scope of this Agreement which do not originate and terminate within the same MTA based on the location of the cell site serving the CMRS Carrier's mobile wireless subscriber at the beginning of the call and the central office for the landline end-user.

1.7 "Local Exchange Carrier" or "LEC" is as defined in the Act.

1.8 "Major Trading Area" (MTA) means a geographic area established by Rand McNally's 1992 Commercial Atlas and Marketing Guide, 123rd edition, at pages 38-39 and used by the FCC in defining CMRS license boundaries for CMRS carriers .

1.9 "Termination" means, for CMRS Carrier and Rural LEC, the switching of Traffic at the terminating end-office switch, or equivalent facility, and the delivery of such Traffic to the called Party.

1.10 "TRA" means the Tennessee Regulatory Authority.

1.11 "Traffic," for purposes of this Agreement, means all IntraMTA Traffic and InterMTA Traffic that is within the scope of this Agreement for which BellSouth creates and delivers to both CMRS Carrier and Rural LEC accurate and complete industry standard 110101 format message, call detail, and billing records identifying the originating carrier, terminating carrier, and the minutes of use of such Traffic .

1.12 "Transport," for Rural LEC, means the transmission and any necessary tandem switching from the interconnection point between BellSouth and the Rural LEC to Rural LEC's terminating end office that serves the called end user. "Transport," for CMRS Carrier and for purposes of this Agreement is the functional equivalent to that of Rural LEC's Transport.

2. INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections and Attachments of the Agreement shall be deemed to be references to Sections of and Attachments to this Agreement unless the context shall otherwise require. Any headings of Sections are inserted for convenience of reference only and

are not intended to be part of or to affect the meaning or interpretation of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument (including either Party's or other third party offerings, guides or practices), statute, regulation, rule or tariff is to such agreement, instrument, statute, regulation, rule or tariff as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

2.2 The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations or guidelines that subsequently may be prescribed by and federal or state government authority. To the extent required by any such subsequently prescribed law, rule, regulation or guideline, the Parties agree to negotiate in good faith toward an agreement to modify, in writing, any affected term and condition of this Agreement to bring them into compliance with such law, rule, regulation or guideline.

2.3 The Parties enter into this Agreement without prejudice to any position they may take with respect to similar future agreements between the Parties or with respect to positions they may have taken previously, or may take in the future in any legislative, regulatory or other public forum addressing any matters including matters, related to the rates to be charged for Transport and Termination of IntraMTA Traffic or the types of arrangements prescribed by this Agreement.

3. SCOPE OF AGREEMENT

3.1 This Agreement sets forth the terms and conditions between and among the Parties for the exchange of Telecommunications Traffic under circumstances where CMRS Carrier does not establish an interconnection point within the incumbent LEC service area of Rural LEC and Intermediary Services of BellSouth are utilized for the exchange of Traffic between CMRS Carrier and Rural LEC. The terms and conditions of this Agreement apply solely to Traffic utilizing BellSouth's Intermediary Services that is either (1) originated by CMRS Carrier, delivered to Rural LEC over the BellSouth-Rural LEC interconnection facilities pursuant to the terms of this Agreement, and terminated by Rural LEC or (2) originated by Rural LEC, delivered to BellSouth over the BellSouth-Rural LEC interconnection facilities pursuant to the terms of this Agreement, and terminated by CMRS Carrier. Traffic that is within the scope of this Agreement is specifically limited to Traffic for which BellSouth provides to both CMRS Carrier and Rural LEC accurate and complete industry standard 110101 format message, call detail, and billing records identifying the originating carrier, terminating carrier, and the minutes of use of such Traffic.

3.2 CMRS Carrier traffic that is authorized under this Agreement and within the scope of this Agreement is specifically limited by the geographic area from which CMRS Carrier may originate traffic. The specific geographic area for CMRS Carrier is set forth in Attachment X.

3.3 With respect to CMRS Carrier, Traffic is limited solely to its CMRS services. With respect to Rural LEC, Traffic is limited solely to its local exchange carrier services.

3.4 This Agreement applies solely to Telecommunications traffic specifically defined as within the scope of this Agreement. Telecommunications traffic that either Party originates to, or terminates from, any other carrier or Telecommunications traffic carried by any other carrier other than the carriers that are the Parties to this Agreement is not within the scope of this

Agreement. Interexchange traffic originated by Rural LEC that is subject to equal access presubscription is not within the scope of this Agreement. Telecommunications traffic for which BellSouth does not provide complete and accurate industry standard 110101 format message, call detail, and billing records identifying the originating carrier, terminating carrier, and the minutes of use is not within the scope of this Agreement.

3.5 The authorization for BellSouth to deliver traffic to Rural LEC under the terms of this Agreement and the scope of this Agreement are specifically limited to those facilities for which there is a separate interconnection agreement between BellSouth and Rural LEC which specifically references this Agreement. The referenced separate facilities agreement between BellSouth and Rural LEC is set forth in Attachment X. Notwithstanding any provision of this Agreement, BellSouth has no authority to deliver any traffic to the network of Rural LEC over any interconnecting facilities unless and until a proper facilities interconnection agreement is in place between BellSouth and Rural LEC which sets forth the authorization for such traffic for BellSouth or Rural LEC with respect to the specific network interconnection facilities.

4. TRAFFIC EXCHANGE AND COMPENSATION

4.1 Terms and Conditions Between CMRS Carrier and Rural LEC

4.1.1 Rural LEC shall terminate Traffic on its network that is originated by CMRS Carrier and delivered to Rural LEC via the BellSouth-Rural LEC interconnection facilities. CMRS Carrier shall terminate Traffic on its network that is originated by Rural LEC and is delivered to BellSouth via the BellSouth-Rural LEC interconnection facilities.

4.1.2. For intraMTA Traffic within the scope of this Agreement, CMRS Carrier and Rural LEC agree that the originating Party will pay compensation to the terminating Party pursuant to the rates, measurement methods, minutes of use calculation, and percentage traffic values set forth in Appendix X. Compensation for both Parties will be based on a single, combined, per-minute rate, as specified in Appendix X, which encompasses total compensation for Transport and call Termination.

4.1.3. InterMTA Traffic is subject to treatment under Rural LEC's intrastate and interstate access tariffs. For InterMTA Traffic, CMRS Carrier will provide compensation to Rural LEC for Inter-MTA Traffic originated and terminated on the network of Rural LEC according to the terms and conditions of Rural LEC's applicable federal and state access tariffs that apply to access usage. Access charges will be calculated pursuant to the measurement methods, minutes of use calculation, and percentage traffic values set forth in Appendix X

4.1.4 [TO BE DISCUSSED AND MODIFIED BASED ON INDIVIDUAL CIRCUMSTANCES] Because Rural LEC and CMRS Carrier cannot determine the location of CMRS Carrier's mobile end user at the time a call is made and consequently whether traffic between CMRS Carrier and Rural LEC is Intra-MTA or Inter-MTA, CMRS Carrier and Rural LEC will develop a mutually acceptable percent usage factors for the relative amounts of interMTA and intraMTA Traffic that is representative of the actual nature of the traffic. The percent usage factors are set forth in Appendix X.

4.1.5. [TO BE DISCUSSED AND MODIFIED BASED ON INDIVIDUAL CIRCUMSTANCES] CMRS Carrier and Rural LEC recognize that InterMTA Traffic may be

both Interstate and Intrastate in nature. For the InterMTA Traffic, CMRS Carrier and Rural LEC will develop mutually acceptable percent Interstate and Intrastate factors. The percentages are specified in Appendix X.

4.2 Terms and Conditions With BellSouth

4.2.1 Subject to all the terms of this Agreement, the interconnection facilities between BellSouth and Rural LEC established pursuant to this Agreement may be used by BellSouth to provide Intermediary Services to CMRS Carrier and to deliver to the network of Rural LEC CMRS Carrier Traffic provided that CMRS Carrier has a CMRS license within the same MTA(s) in which Rural LEC's network is located. The interconnection facilities between BellSouth and Rural LEC over which Traffic within the scope of this Agreement will be exchanged are set forth in Attachment X. BellSouth is provided authority under this Agreement to provide Intermediary Services and to deliver traffic to Rural LEC pursuant to the terms of this Agreement on to the extent that BellSouth has a separate facilities interconnection agreement in place with Rural LEC covering the facilities that will be used for the exchange of Traffic that is the subject of this Agreement. The separate facilities agreement will be set forth in Attachment X. (NOTE: To be discussed. Use of FGC facilities and trunking not necessarily acceptable. Rural LEC not required to accept multiple carrier traffic commingled with interexchange carrier traffic unless BellSouth is responsible for ultimate compensation. Trunk groups subject to discussion.) (Subject to Discussion) (OPEN) Unless specifically stated otherwise in Attachment X, BellSouth will utilize the access facilities and signaling with Rural LEC that BellSouth uses for intrastate access traffic for purposes of the exchange of Traffic that is the subject of this Agreement.

4.2.2 BellSouth is responsible to Rural LEC and to CMRS Carrier for providing to the appropriate terminating Party complete and accurate industry standard 110101 format message and billing records detailing the originating carrier, the terminating carrier, and the minutes of use. BellSouth will provide such records to the terminating Party not later than 45 days after such usage occurs.

4.2.3 Except as required by this Agreement, BellSouth and CMRS Carrier will treat CMRS Carrier's Traffic, including Traffic within the scope of this Agreement, consistent with the terms of the interconnection agreement between BellSouth and CMRS Carrier and all effective Annexes and Attachments thereto, including, but not limited to, the network provisioning, transport, termination, and billing and collection of such traffic.

4.2.4 For CMRS Carrier traffic terminating to Rural LEC that could otherwise be subject to this Agreement but for which BellSouth fails to meet the administrative requirements set forth in Section 4.2.2 above, such Traffic will be subject to the same intrastate access charges that apply to other BellSouth terminating intrastate interexchange services, to be paid by BellSouth to Rural LEC. For Rural LEC traffic terminating to CMRS Carrier that could otherwise be subject to this Agreement but for which BellSouth fails to meet the administrative requirements set forth in Section 4.2.2 above, such Traffic will be subject to charges equal to the charges that apply to other BellSouth terminating traffic pursuant to the interconnection agreement between BellSouth and CMRS Carrier, to be paid by BellSouth to CMRS Carrier.

4.2.5 BellSouth is responsible for compensation to Rural LEC for all traffic that BellSouth delivers to the network of Rural LEC over the interconnection facilities set forth in

Appendix X except for Traffic for which BellSouth satisfies its administrative requirements set forth in Section 4.1.2 and such traffic is billed, collected, and accounted for pursuant to Section 4.3.2.

4.2.5 This Agreement addresses the exchange of Telecommunications Traffic between CMRS Carrier and Rural LEC under circumstances where CMRS Carrier does not establish an interconnection point within the incumbent LEC network of Rural LEC, and accordingly, Traffic originated on the network of Rural LEC may be transported and switched by BellSouth beyond Rural LEC's incumbent LEC network. The Parties agree that Rural LEC's willingness to offer and provide local exchange services to its end users and to route such local exchange service Traffic to CMRS Carrier via BellSouth pursuant to the Intermediary Services arrangement set forth in this Agreement, beyond the incumbent LEC service area of Rural LEC, is conditioned on Rural LEC not incurring additional costs for transport and switching beyond that which Rural LEC incurs within its own network for other local exchange services. Therefore, for the Traffic that is within the scope of this Agreement, and to get Traffic to and from the interconnection point on the network of Rural LEC to the interconnection point that CMRS Carrier has established with BellSouth at a point outside of Rural LEC's network, CMRS Carrier will be responsible for compensation to BellSouth for all Intermediary Services provided by the BellSouth for the exchange of Traffic that is within the scope of this Agreement.

4.3. Billing.

4.3.1 Billing Between CMRS Carrier and RLEC

Rural LEC and CMRS Carrier shall bill the other pursuant to the compensation terms set forth in Section 4.1. CMRS Carrier and Rural LEC agree to accept BellSouth's accurate and complete measurement of minutes of use based on the industry standard 110101 format message, call detail, and billing records created by BellSouth and provided to both Rural LEC and CMRS Carrier. The billing Party will issue an invoice on a monthly basis to the billed Party for Traffic subject to the terms of this Agreement. The billed Party shall pay such invoice, in immediately available U.S. funds, within thirty (30) days of the invoice date. The billed Party shall pay a late charge on the unpaid amounts that have been billed that are greater than thirty (30) days old. The rate of the late charge shall be the lesser of 1.5% per month or the maximum amount allowed by law. Although it is the intent of Rural LEC and CMRS Carrier to submit timely and accurate statements of charges, failure by either Rural LEC or CMRS Carrier to present statements to the other Party on a timely basis shall not constitute a waiver of the right to payment of the incurred charges. Neither Party shall bill the other Party for Traffic that is more than one hundred and eighty (180) days old.

4.3.2 Billing to BellSouth

4.3.2.1. (Subject to discussion related to trunk groups and traffic, Total usage needs to be reconciled among multiple providers. Reconciliation will depend on what traffic may be commingled.) Reconciliation of Total Terminating Usage. Rural LEC shall bill BellSouth (or if Rural LEC does not bill BellSouth, BellSouth will account for compensation to Rural LEC through the monthly settlement process) and BellSouth shall be responsible for compensation to Rural LEC for all minutes of use delivered over the interconnection facilities as set forth in Appendix X according to intrastate access rates that apply to intrastate intraLATA interexchange service usage except that Rural LEC will reduce the amount billed to BellSouth

(or BellSouth will reflect a reduction in the settlement due Rural LEC if Rural LEC does not bill BellSouth) to reflect those revenues billed to and collected from CMRS Carrier pursuant to Section 4.3.1. Rural LEC will issue an invoice on a monthly basis to BellSouth (or BellSouth will issue a monthly settlement statement) for all traffic including the reduction to reflect CMRS Carrier Traffic. BellSouth shall pay such invoice (or submit such monthly settlements), in immediately available U.S. funds, within thirty (30) days of the invoice date (or at the same time as the settlement date). In the case of settlements, BellSouth shall provide settlement payments no later than thirty (30) days after the end of any monthly period.

4.3.2.2 BellSouth shall bill CMRS Carrier for Intermediary Services pursuant to the rates contained in its Interconnection Agreement with CMRS Carrier.

4.3.3 Audits (Subject to discussion based on trunk groups and type of commingled traffic)

4.3.3.1 Both Rural LEC and CMRS Carrier have a right to assurance, and BellSouth has an obligation for such assurance, that the records that BellSouth creates and provides to Rural LEC and CMRS Carrier pursuant to Section 4.2.2 are accurate and complete and that the total usage (including Traffic subject to this Agreement and any other traffic that BellSouth may switch and transport over the same facilities in combination with Traffic that is the subject of this Agreement) to and from either Rural LEC or CMRS Carrier utilizing BellSouth Intermediary Services is accurate and that all components of traffic are accurate and complete with respect to the total usage over the facilities. Accordingly, Rural LEC and CMRS Carrier may audit, examine, and verify the relevant records, systems, procedures, recording mechanisms, measurement methods, data processing methods, and any information or documents pertaining to BellSouth's provision of Intermediary Services for Traffic subject to this Agreement and for any other traffic that BellSouth delivers or receives over the interconnection facilities in combination with the Traffic subject to this Agreement between BellSouth and Rural LEC and between BellSouth and CMRS Carrier.

4.3.3.2 Audits may be performed no more frequently than once per six (6) month period to evaluate the accuracy of the records and billing data provided by BellSouth. Audits shall be performed following at least fifteen (15) days prior written notice to BellSouth and subject to reasonable scheduling. BellSouth will maintain all records for a minimum of twenty-four (24) months that establish the accuracy and completeness of the information provided to Rural LEC and CMRS Carrier pursuant to Section 4.2.2.

4.3.3.3 All compensation to Rural LEC and to CMRS Carrier to account for adjustments and corrections shall be the responsibility of BellSouth. Audit findings may be applied retroactively for no more than twenty four (24) months from the date the audit began. Interest shall be applied to compensation adjustments and corrections not to exceed the highest interest rate allowable by law for commercial transactions and shall be computed by compounding daily, from the time of the error. Any disputes concerning audit results will be resolved pursuant to the Dispute Resolution procedures described in §xx0 of this Agreement.

4.3.3.4 BellSouth will cooperate fully in any such audit, providing reasonable access to any and all appropriate employees and books, records and other documents reasonably necessary to assess the accuracy of the BellSouth's records and information.

4.3.3.5 For purposes of conducting an audit pursuant to this Agreement, Rural LEC and CMRS Carrier may employ other persons or firms for this purpose (so long as said Parties are bound by this Agreement).

4.4. Taxes.

Any Federal, state or local excise, license, sales, use, or other taxes or tax-like charges (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon another Party. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The Party obligated to collect and remit taxes shall do so unless the other applicable Party provides such Party with the required evidence of exemption. The Party so obligated to pay any such taxes may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that such Party shall not permit any lien to exist on any asset of the other Party by reason of the contest. The Party obligated to collect and remit taxes shall cooperate fully in any such contest by the other Party by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest.

5. INDEPENDENT CONTRACTORS

The Parties to this Agreement are independent contractors. No Party is an agent, representative, or partner of another Party. No Party shall have the right, power or authority to enter into any agreement for or on behalf of, or incur any obligation or liability of, or to otherwise bind any other Party. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between any of the Parties or to impose any partnership obligation or liability upon any Party.

6. LIABILITY

6.1. No Party nor any of its affiliates shall be liable for any incidental, consequential or special damages arising from any other Party's use of service provided under this Agreement. Each Party shall indemnify and defend the other Parties against any claims or actions arising from the indemnifying Party's participation in the arrangements set forth in this Agreement, except to the extent of damages caused by the negligence or willful misconduct of an indemnified Party.

6.2. No Party makes any warranties, express or implied, for any hardware, software, goods, or services provided under this Agreement. All warranties, including those of merchantability and fitness for a particular purpose, are expressly disclaimed and waived.

6.3. With the exception of the requirements of Sections _____, the liability of any Party to any other Party for damages arising out of failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services, arrangements, or facilities hereunder shall be determined in accordance with the terms of applicable tariff(s) of the Party. In the event no tariff(s) apply and with the exception of the requirements of Sections _____, the providing Party's liability shall not exceed an amount equal to the pro-rata monthly charge for the period in which such failures, mistakes,

omissions, interruptions, delays, errors, or defects occur. Except as required in Sections _____, recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors, or defects.

7. TERM OF AGREEMENT

7.1. The Parties will submit this Agreement to the TRA for approval. This Agreement shall be effective 30 days following TRA approval. This terms and conditions set forth in this Agreement do not apply to time periods prior to the effective date.

7.2 BellSouth may terminate without cause its participation in the network interconnection arrangement with Rural LEC for CMRS Carrier Traffic that is the subject matter of this Agreement upon written notice of at least sixty (60) days to Rural LEC and CMRS Carrier. In the event of such termination by BellSouth and subject to the post-termination provisions of Section 7.3, BellSouth shall discontinue the delivery of all CMRS Carrier traffic to the network of Rural LEC. Rural LEC may terminate without cause its participation in the network interconnection arrangement with BellSouth for CMRS Carrier Traffic that is the subject matter of this Agreement upon written notice of at least sixty (60) days to BellSouth and CMRS Carrier. In such event of termination by Rural LEC and subject to the post-termination provisions of Section 7.3, BellSouth shall discontinue the delivery of all CMRS Carrier traffic to the network of Rural LEC. CMRS Provider may terminate without cause its participation in this Agreement upon written notice of at least sixty (60) days to BellSouth and Rural LEC. In the event of termination by CMRS Carrier, BellSouth shall discontinue the delivery of all CMRS Carrier Traffic to the network of Rural LEC. CMRS Carrier is free to request and negotiate network interconnection with Rural LEC consistent with Sections 251 and 252 of the Act and the FCC's controlling rules, and CMRS Carrier is also free to re-route its traffic over any other available network arrangement. At such time as an interconnection agreement between Rural LEC and CMRS Carrier becomes effective, the arrangements set forth in this Agreement may be terminated with respect to CMRS Carrier and Rural LEC only to the extent that the Parties set forth such intent within the terms and conditions of any such new agreement.

7.3 Except in the case of termination as a result of a Party's default, the following post-termination provisions shall apply in the event of termination by BellSouth or Rural LEC: (1) for those service arrangements made available to CMRS Carrier under this Agreement and existing at the time of termination, those arrangements may continue without interruption for CMRS Carrier, provided that CMRS Carrier requests such continuing arrangements; and (2) the continuing arrangements will be made available for a period of time to allow CMRS Carrier to replace the arrangements set forth in this Agreement with alternate arrangements, to the extent that alternative arrangements are necessary, but in no case will the existing service arrangements continue for longer than 12 months following the date on which notice of termination is provided by either BellSouth or a Rural LEC. All of the obligations set forth in this Agreement will continue to be in effect during the time the provisions of this Section 7.3 are applicable.

7.4 Upon termination of this Agreement in accordance with this Section 7.0:
Agreement;
(a) each Party shall comply immediately with its obligations set forth in this Agreement;
(b) each Party shall promptly pay all amounts owed under this Agreement;

(c) each Party's indemnification obligations shall survive termination or expiration of this Agreement.

7.5 In the event of Default by a Party, as defined below in this subsection, the non-defaulting Parties may terminate any and all terms and conditions of this Agreement provided that the non-defaulting Party seeking termination with respect to the defaulting Party notifies the defaulting Party and the other non-defaulting Party in writing of the Default and the defaulting Party does not cure the alleged Default within thirty (30) days after receipt of such written notice. With respect to a defaulting Party, Default is defined as: (a) that Party's material breach of any of the material terms of this Agreement, including the compensation terms; or (b) any aspect of a Party's operations or actions are determined by a court with proper jurisdiction or the TRA to be unlawful or not authorized.

7.6 If CMRS Carrier defaults by failure to comply with the compensation terms of this Agreement for compensation between CMRS Carrier and Rural LEC, Rural LEC may terminate this Agreement with respect to CMRS Carrier. If Rural LEC is unable to effectuate discontinuance of the termination of the CMRS Carrier Traffic at Rural LEC's network or end offices, and following written notice of at least thirty (30) days to both BellSouth and CMRS Carrier, BellSouth agrees to take the necessary steps within its network to disconnect service and discontinue the delivery, to the network of Rural LEC, all CMRS Carrier's traffic. To the extent that BellSouth fails to discontinue the delivery of CMRS Carrier's traffic to the network of Rural LEC following such written notice, BellSouth shall be responsible for payment of compensation to Rural LEC for such CMRS Carrier Traffic at the prevailing intrastate access rates applicable to other BellSouth intrastate interexchange service access traffic.

7.7 Notwithstanding the voluntary arrangements between the Parties as set forth in this Agreement, each Party to this Agreement shall have the right, at its discretion, to design and deploy its own network and facilities, upgrade its network, modify its end office and tandem switching hierarchy and/or architecture, modify trunking arrangements with other carriers, install new equipment or software, maintain its network, determine and designate the tandem switch(es) which its end offices will subtend for all traffic, or otherwise, including modifications that may alter or discontinue the arrangements that are the subject matter of this Agreement. If a Party makes a change in its network which it believes will materially affect the arrangements which are the subject matter of this Agreement, the Party making the change shall provide at least one hundred and twenty (120) days advance notice to the other Parties regarding the nature of the change and when the change will occur. Each Party shall be solely responsible for the cost and activities associated with accommodating such changes within its own network including, but not limited to, the migration of traffic routing. To the extent that notice of a network change pursuant to this Section 7.7 results in the termination of this Agreement by any Party, the same post-termination provisions of Section 7.3 shall apply.

8. DISPUTE RESOLUTION PROCESS

8.1. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, will be resolved by the Parties according to the procedures set forth below.

8.2. The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute

resolution process, the Parties agree to use the following alternative dispute resolution procedure as their sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

8.3. At the written request of a Party, the other Parties will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The location, format, frequency, duration and conclusion of these discussions will be left to the discretion of the representatives. Prior to arbitration described below, and subject to agreement by all of the Parties, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations.

8.4. If the negotiations or mediations do not resolve the dispute within sixty (60) days of the initial written request, then any Party may pursue any remedy available pursuant to law, equity or agency mechanism; provided that upon agreement by all of the Parties such disputes may also be submitted to binding arbitration. Each Party will bear its own costs of these procedures. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

8.5. The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the parties shall continue to perform their obligations, including making payments, in accordance with this Agreement.

9. THIRD PARTY BENEFICIARIES

This Agreement is not intended to benefit any person or entity not a Party to it and no beneficiaries other than the Parties are created by this Agreement.

10. GOVERNING LAW, FORUM, AND VENUE

To the extent not governed by the laws and regulations of the United States, this Agreement shall be governed by the laws and regulations of the State of Tennessee. Disputes arising under this Agreement, or under the participation in the arrangements under this Agreement, shall be resolved in state or federal court in Tennessee, the TRA, or the FCC.

11. FORCE MAJEURE

Notwithstanding anything to the contrary contained herein, a Party shall not be liable nor deemed to be in default for any delay or failure of performance under this Agreement resulting directly from acts of God, civil or military authority, acts of public enemy, war, hurricanes, tornadoes, storms, fires, explosions, earthquakes, floods, government regulation, strikes, lockouts or other work interruptions by employees or agents not within the control of the non-performing Party.

12. ENTIRE AGREEMENT

This Agreement incorporates all terms of the Agreement between the Parties, and supersedes all prior oral or written agreements, representations, statements, negotiations,

understandings, proposals, and undertakings with respect to the subject matter thereof. This Agreement may not be modified except in writing signed by all Parties, which modification shall become effective (30) thirty days after its execution, unless otherwise mutually agreed by the Parties. This Agreement is a result of a negotiation between the Parties, and it was jointly drafted by all Parties.

13. NOTICE

Notices given by one Party to another Party or to the other Parties under this Agreement shall be in writing and shall be (i) delivered personally, (ii) delivered by express delivery service, or (iii) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested to the following addresses of the Parties:

BellSouth

CMRS Carrier

Rural LEC

Bills and payments shall be sent to:

BellSouth

CMRS Carrier

Rural LEC

14. ASSIGNABILITY

A Party may assign this Agreement upon the written consent of all of the other Parties, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, no consent shall be required for the assignment of this Agreement in the context of the sale of all or substantially all of the assets or stock of any Party. Notwithstanding the foregoing, a Party may assign this Agreement or any rights or obligations hereunder to an affiliate of such Party without

the consent of the other Parties.

15. MISCELLANEOUS

15.1 Failure of any Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right, or privilege.

15.2 The Parties acknowledge that Rural LEC is a Rural Telephone Company and is entitled to all rights afforded Rural Telephone Companies under the Act including, but not limited to, the rights provided by 47 U.S.C. 251(f) of the Act and that by entering into this Agreement Rural LEC does not waive these rights.

15.3 Nothing herein shall affect any Party's right to seek interconnection with any carrier, including with a carrier that is a Party to this Agreement, or preclude any Party from negotiating an interconnection agreement with another Party consistent with Sections 251 and 252 of the Act. Moreover, in the event that CMRS Carrier and Rural LEC subsequently execute an interconnection agreement, such agreement may supercede the rights and obligations set for in this Agreement only to the extent that the Parties specifically set forth such intent within the terms and conditions of any such new agreement.

15.4 The Parties agree that this Agreement represents a voluntary resolution of terms and conditions between and among the Parties, including the terms and conditions for compensation, and any compensation terms hereunder should not be construed as the agreement of any Party as to the appropriateness of such level of compensation.

15.5 Nothing in this Agreement shall be construed to create legal or regulatory requirements for the Parties that do not otherwise apply. Nothing in this Agreement shall be construed as a waiver by any of the Parties of any of the rights afforded, or obligations imposed, by Sections 251 or 252 of the Act. The terms of the voluntary arrangements set forth in this Agreement shall not prejudice the outcome of any subsequent interconnection negotiations between or among the parties or any TRA arbitration.

15.6 Nothing in this Agreement shall preclude any Party from participating in any TRA proceeding or proceeding before the Federal Communications Commission ("FCC") relating to any issue, including matters specifically related to or other types of arrangements related to the subject matter of this Agreement or from petitioning the TRA or the FCC to resolve any issue, including matters specifically related to, or other types of arrangements related to the subject matter of this Agreement.

15.7 BellSouth is a corporation duly organized, validly existing and in good standing under the laws of the [STATE] and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval. Cellular Carrier is a corporation duly organized, validly existing and in good standing under the laws of the [STATE] and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval. Rural LEC is a corporation duly organized, validly existing and in good standing under the laws of the [STATE] and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

16. (OPEN) NONDISCLOSURE OF PROPRIETARY INFORMATION

The Parties agree that it may be necessary to exchange certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, orders for services, usage information in any form, customer account data and Customer Proprietary Network Information ("CPNI") as that term is defined by the Communications Act of 1934, as amended, and the rules and regulations of the FCC and similar information ("Confidential Information"). Confidential Information shall include (i) all information delivered in written or electronic form and marked "confidential" or "proprietary" or bearing mark of similar import; or (ii) information derived by the Recipient from a Disclosing Party's usage of the Recipient's network including customer account data and CPNI. The Confidential Information is deemed proprietary to the Disclosing Party and it shall be protected by the Recipient as the Recipient would protect its own proprietary information. Confidential Information shall not be disclosed or used for any purpose other than to provide service as specified in this Agreement. For purposes of this Section XV, the Disclosing Party shall mean the owner of the Confidential Information, and the Recipient shall mean the Party to whom Confidential Information is disclosed.

Information shall not be deemed Confidential Information and the Recipient shall have no obligation to safeguard Confidential Information (i) which was in the Recipient's possession free of restriction prior to its receipt from Disclosing Party, (ii) after it becomes publicly known or available through no breach of this Agreement by Recipient, (iii) after it is rightfully acquired by Recipient free of restrictions on the Disclosing Party, or (iv) after it is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential information had not been previously disclosed. Recipient may disclose Confidential Information if required by law, a court, or governmental agency provided the Recipient shall give at least thirty (30) days' notice (or such lesser time as may be sufficient based on the time of the request) to the Disclosing Party to enable the Disclosing Party to seek a protective order. Each Party agrees that Disclosing Party would be irreparably injured by a breach of this Agreement by Recipient or its representatives and that Disclosing Party shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of this paragraph. Such remedies shall not be exclusive, but shall be in addition to all other remedies available at law or in equity.

17. COMPLIANCE WITH SECTION 252(i)

In accordance with Section 252(i) of the Act, Rural Carrier shall make available any interconnection service, or network element provided under an agreement approved under this section to which it is a party to CMRS Carrier upon the same terms and conditions as those provided in the agreement.

18.0 Indemnification

18.1 Each Party agrees to release, indemnify, defend and hold harmless the other Parties from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, including, but not limited to, costs and attorney's fees (collectively, a "Loss"), (a) whether suffered, made, instituted or asserted by any other party or person, relating to personal injury to or death of any person, defamation or for loss, damage to or destruction of real and/or personal property,

whether or not owned by others, arising during the term of this Agreement and to the extent proximately caused by the acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted or asserted by its own customer(s) against another Party arising out of the other Party's provision of services to the indemnifying Party under this Agreement. Notwithstanding the foregoing indemnification, nothing in this such Section 18.0 shall affect or limit any claims, remedies or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable Tariff(s) regulations or laws for the indemnified Party's provision of said services.

18.2 The indemnification provided herein shall be conditioned upon:

(a) The indemnified Party shall promptly notify the indemnifying Party of any action taken against the indemnified Party relating to the indemnification.

(b) The indemnifying Party shall have sole authority to defend any such action, including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense.

(c) In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party, which consent shall not unreasonably withheld.

(d) The indemnified Party shall, in all cases, assert any and all provisions in its Tariffs or customer contracts that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.

(e) The indemnified Party shall offer the indemnifying Party all reasonable cooperation and assistance in the defense of any such action.

18.3 In addition to its indemnity obligations under Section 18.1 and 18.2, each Party shall provide, in its Tariffs or customer contracts that relate to any Telecommunications Service or network services provided by one Party to the other Party under this Agreement, or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable customer for the service(s) or function(s) that gave rise to such Loss, or (ii) any consequential damages (as defined in Subsection 19.2, below).

19.0 Disclaimer of Representation and Warranties

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

20.0 No License

20.1 Nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trademark, trade name, trade secret

or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by any Party. No Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of any the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

20.2 No Party shall have any obligation to defend, indemnify or hold harmless or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, any other Party or its customers based on or arising from any claim, demand or proceeding by any party not a party to this Agreement that may allege or assert that the use of any circuit, apparatus or system, or the use of any software, or the performance of any service or method or the provision of any facilities by any Party under this Agreement, alone or in combination with that of any other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

20.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NO PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY ANY PARTY OF ANY OTHER PARTY'S FACILITIES, ARRANGEMENTS OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM BY ANY PARTY NOT A PARTY TO THIS AGREEMENT OF INFRINGEMENT, MISUSE OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH OTHER PARTY THAT IS NOT A PARTY TO THIS AGREEMENT.

21.0 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

22.0 Modification, Amendment, Supplement or Waiver.

No modification, amendment, supplement to or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties. A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided or to require performance of any of provisions hereof shall in no way be construed to be a waiver of such provisions or options.

23.0 Entire Agreement.

This Agreement and any Exhibits, Appendices, Schedules or tariffs which are incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and no Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of all of the Parties to be bound thereby.

By: Rural Telco

Signature

(date)

Printed name and title:

By: CMRS Carrier

Signature

(date)

Printed name and title:

Signature Page dated _____, 2003 to Interconnection Agreement between Rural Telco and CMRS Carrier.

